

My name is Sandra Masarik and I have worked for the State for over 41 years, and am in the Defined Benefit Plan. I plan to retire when I qualify for Social Security. Currently I am an elected Officer of UAW Local 6000, on leave from the Department of Licensing and Regulatory Affairs to serve my co-workers at the Union.

I am opposed to House Bills 4701 and 4702. These bills will force employees in the Defined Benefit Plan to choose between contributing 4% of our compensation toward our pension costs beginning October 1st, 2011 and remaining in that plan, or freezing the service we have earned in the pension plan and converting to the DC 401 (k) plan.

I believe the passage of these two bills is not fair to long term employees; we will be forced to make a decision to pay more money or to invest our money in a 401(k) in an unstable financial market. We are hearing the Governor wants us to pay 20% more for our health care costs also, now this. Our benefits are under attack by the Governor, the Legislature and at the bargaining table by the State Employer. UAW represented employees will be negotiating with the State Employer this year over wages, benefits and conditions of employment. I think the timing is off on trying to pass these bills. Last year an early retirement bill was passed and employees now pay 3% of their wages to pay for the retired employees' health care.

Promises have been made to employees over the years that we would keep the Defined Benefit and Defined Compensation plans offered by the State of Michigan. Now you are trying to back out on the Legislature's past promises, because you just want to do it? This is just wrong. There are many ways to save money in State Government, e.g. cutting back on top heavy managers and supervisors, cutting back on sub-contracts. Concessions are repeatedly being asked of Classified State employees, but the Contract workers are not sharing in the sacrifice. It is time that an overall reduction in Contract spending occurs to stop the government waste and overspending.

I urge you to vote down HB 4701 and 4702, as it is the right thing to do. Thank you.